Government of Saskatchewan

Annual Report 1985-86

Saskatchewan Agriculture

Eighty-First Annual Report for the twelve months ended March 31, 1986

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Letters of Transmittal

Department of Agriculture

To His Honour,
The Honourable Frederick W. Johnson,
Lieutenant Governor of the Province of
Saskatchewan

Sir:

I have the honour to submit the annual report of Saskatchewan Agriculture for the twelve months ending March 31, 1986.

Respectfully submitted,

Honourable Grant Devine, Premier
Minister of Agriculture

Report of the Deputy Minister of Agriculture

Honourable Grant Devine, Premier
Minister of Agriculture

Sir:

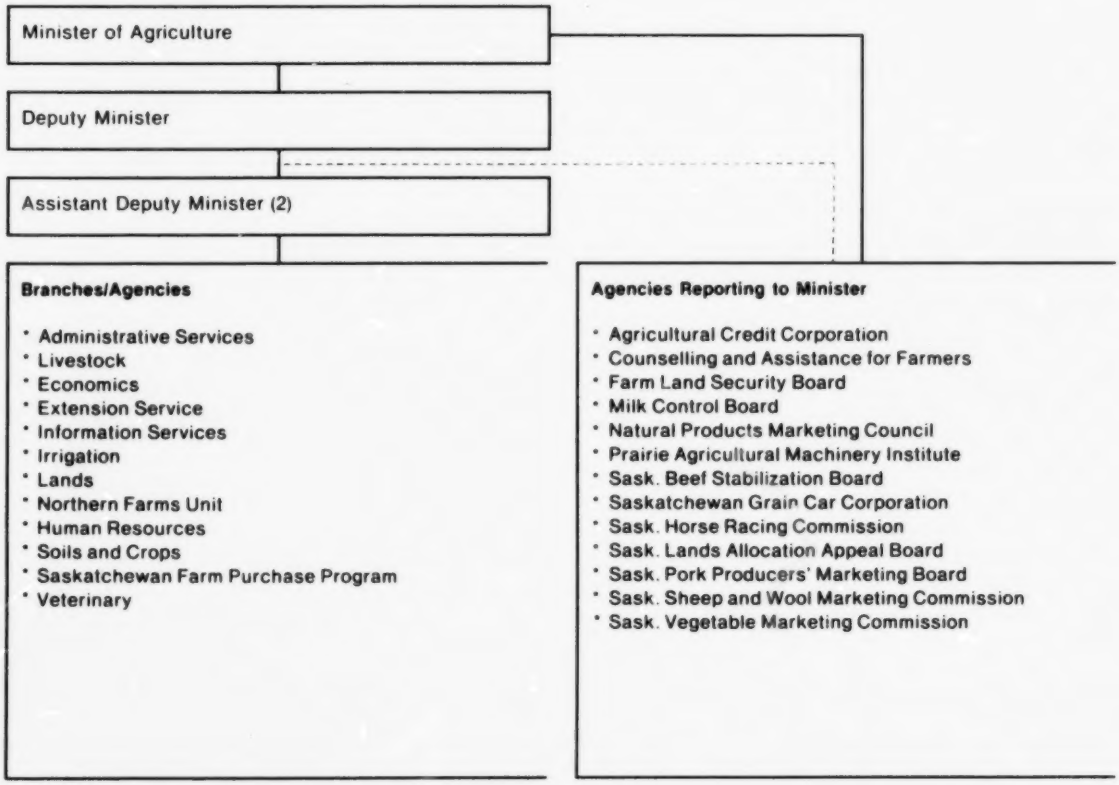
I wish to present to you the annual report of Saskatchewan Agriculture for the twelve months ending March 31, 1986.

Respectfully submitted,

Jack Drew,
Deputy Minister

Organization Chart (1985-86)

Saskatchewan Agriculture Organization Chart



Line Responsibility

Functional Relationship

Administrative Services Branch

Administrative Services provides department support services in budgeting, accounting, space and accommodation, equipment and supplies, mail services, vehicle management, computer management, legislation and administrative analysis.

I. Financial Services Section

Services were provided for the preparation and maintenance of payment vouchers, revenue receipts and the reporting and forecasting of department revenues and expenditures.

Approximately 20,000 expenditure vouchers made up of some 300,000 individual invoices totalling $248 million were processed during the year. Revenues totalling $55 million were deposited and recorded. Co-ordination and documentation of financial data for the department year-end statements and maintenance of budget and expenditure control systems were also major requirements.

The managerial responsibilities of the Agricultural Supplies Revolving Fund and the Conservation and Development Revolving Fund were maintained in the Financial Services Section.

The new government-wide Revenue and Expenditure System prepared vouchers and provided program managers with information on branch expenditures.

Administrative assistance, including accounting duties and record maintenance, was provided for the Agricultural Implements Compensation Fund, Horned Cattle Trust Fund and the Cattle Marketing Deductions Fund. Administrative assistance and financial statement preparation was also provided to the Saskatchewan Grain Car Corporation.

Co-ordination of the development and approval of financial systems for new programs and policies such as the Farmers' Oil Royalty Refund Program, Saskatchewan Crop Drought Assistance Program and the Department of Agriculture's Drought Relief Program were undertaken. The section informed and advised program managers about directives, new procedures and policies that were issued by other government departments and agencies with regard to government accounting policies.

The consolidation of departmental information into financial management reports such as public accounts and out-of-province travel was carried out. The co-ordination of replies to all Provincial Auditor Management letters was undertaken.

Liaison was maintained with the internal audit division of the Comptroller's Office to ensure that financial procedural requirements were met.

Cost-sharing program claims were prepared for the Agricultural Employment Agreement and the Drought Relief Program. Claims under the Special Agricultural Regional Development Agreement, 4-H Program, Saskatchewan Indian Agriculture Program (SIAP) and Record of Performance Milk Program were also monitored and co-ordinated with respect to cost-sharing provisions.

II. Office Services Section

Services were provided for co-ordination and allocation of department space and accommodation. The Department of Supply and Services provided the department with new space in Saskatoon. New space was planned for Leader and Fort Qu'Appelle.

Co-ordination was provided for department budget preparation and acquisition of equipment, stationery and office supplies. The internal mail pickup and delivery to all branches in the Walter Scott Building was continued. The section also co-ordinated the department's central vehicle agency fleet and photocopying equipment.

The section was actively involved in the co-ordination of space, furniture and installation of the Saskatchewan Agriculture Information Delivery System equipment.

The section continued to maintain the computerized inventory system which replaced the manual recording of the department fixed asset transactions.

Staff worked closely with the financial management system project staff and Treasury Board Division staff in Saskatchewan Finance to co-ordinate the department budget preparation and review process using the new automated budget preparation system.

III. Systems Services Section

The department continued to increase the efficiency and effectiveness of program delivery through the use of computer technology. Systems Services Section co-ordinated the design, development and/or operation of 43 computer-based systems within the department. The co-ordination role involved administering the rationalization, acquisition and utilization of systems resources such as analyst support, computer equipment and related services.

Several significant systems initiatives were undertaken during 1985/86 involving the following systems or projects:

1. Data Entry Unit

The Data entry Unit provided key entry services to 25 computer systems. Remote job entry services, which involve the electronic transmission and receiving of

processed records from mainframe computers, were provided to 18 systems.

New applications supported by this unit included the Financial Management System and the Drought Program.

2. Saskatchewan Agriculture Information Delivery System (SAIDS)

The department continued the expansion of the SAIDS office automation system which is centered around integrated word processing and microcomputer products. This expansion was highlighted by completing implementation in all offices including the field locations.

The systems services section assumed overall responsibility for the development and operation of the SAIDS in the areas of rationalization, project management, hardware and software management, networking, security, training and hot-line support, quality assurance, physical and functional expansion and maintenance.

1985/86 witnessed several major events in the development cycle of the SAIDS including:

- implementation of microcomputer technology in all field offices, involving six regional offices and 36 district offices.

- extension of the head office portion of the system to include Livestock Branch, Human Resources Branch, Farm Purchase Program, Irrigation Branch, Counselling and Assistance for Farmers Program and the Farm Land Security Board.

- evaluation of the 1984/85 installations to ensure vendor compliance with the systems contract.

- extension of the system to the Agricultural Credit Corporation of Saskatchewan at head office and 15 field offices.

- expansion of the centralized components in head office to satisfy the expanded requirements for processing and storage capacities.

- acquisition of an uninterruptable power supply from SaskComp for the centralized system controllers in head office to preserve overall system integrity and availability.

- continuation of existing user committees and groups and establishement of a field office advisory committee to facilitate systems management and operations.

3. Crown Land Management System

A consultant was contracted to develop an on-line mainframe system to streamline the management of crown lands administered by the Lands Branch.

The provision of a fourth generation database management system with which to develop this system was negotiated with SaskComp.

Project management support to this system was also contracted.

4. On-line Terminal System

Triggered by the on-line requirements of the Crown Land Management System, a 3270 type clustered system was acquired.

Plans were subsequently developed to extend this system to accommodate the requirements of the Human Resource Management System and the Financial Management System.

5. Veterinary Branch Systems Study

The department initiated a review of services delivered by the Veterinary Branch. A systems study was undertaken to develop a systems plan to satisfy the data processing and dissemination requirements.

6. Human Resource Management System

Saskatchewan Agriculture was selected to participate in a Human Resource Management System pilot project. The personnel component of the system was implemented and plans were formulated to implement the payroll component next year.

IV. Grant Administration Section

Administrative Services managed grant programs included in the assistance to general agricultural interests allocation for the department.

1. Grants of $1,765 were provided to the agricultural societies association and the horticultural societies association to assist in their operating costs.

The grant program for exhibition associations and agricultural and horticultural societies provided for reimbursement of up to 50 per cent of the operating costs incurred by these organizations to a maximum of $5,000 for Class C fairs, $10,000 for Class B fairs and $1,000 for horticultural societies. Grants paid in 1985-86 totalled $351,133 compared to $348,464 in 1984-85.

Close liaison was maintained with the Extension Division, University of Saskatchewan, with respect to the processing of grant payments and the evaluation of the policies. The director of Administrative Services Branch represented the department on the Saskatchewan Agricultural Societies Association Board of Directors. The Minister of Agriculture established a review committee to examine the current and future role of agricultural societies. The committee was chaired by the Director of Administrative Services Branch.

2. The Saskatchewan Horse Racing Commission was provided with a $1,460,766 grant to cover administration costs and to provide all horse race meet sponsors with pari-mutual tax rebates.

V. Northern Farms Unit

Under the northern farm programs, Saskatchewan Agriculture operated four farms in northern Saskatchewan. They are Central and Silver Lake Farms in the Geen Lake area and the Ile a la Crosse and Cumberland House Farms. The farms are operated through a revolving fund utilizing a program manager, assistant manager and one accounting staff in Regina head office, with each farm having an on-farm manager. The farms serve to demonstrate agricultural potential in the north and to provide employment in local communities.

The farms operate a total of 23,000 acres of cultivation, perennial forage and native grazing. All produce of the farms is utilized in the livestock operations. In 1985-86 the farms wintered a breeding herd totalling 2,230 cows. Central Farm also operates a 120 sow farrow to finish hog operation. Peak seasonal on-farm employment totalled 36 employees.

VI. Agricultural Societies

Agriculture Societies enhance rural community life through sponsorship of annual exhibitions, farmers' markets, educational events and other traditional activities.

There are 74 agricultural societies and exhibition associations in Saskatchewan.

1. Activities

Summer or fall fairs continued to be the most popular activities sponsored by societies. Other sponsored events included field days, short courses, seminars, clinics, workshops and lectures, beef and swine shows and sales, horse shows and exhibitor schools.

Societies continued to support the 4-H program in a variety of ways, such as awarding scholarships, sponsoring regional livestock shows and sales, providing facilities for shows and other social activities, providing prize money for classes at summer fairs and offering adult leadership.

A special project of the Regina Exhibition Association for the past three years has been the "Saskatchewan Provincial Showcase of Champions", which is designed to enhance livestock and creative art competition at the local Saskatchewan fairs level, and to give major livestock breeders an opportunity to see the best in Saskatchewan all within one competition.

It is apparent that the "Showcase" is achieving its purpose as the interest and number of entries has increased considerably since the first show. Thirty-nine agricultural societies and exhibition associations competed in the 1986 "Showcase".

2. Saskatchewan Agricultural Societies Association

The association is a voluntary organization of individual agricultural societies that help member societies to improve their programs. The association is celebrating 75 years of service to Saskatchewan Agricultural Societies in 1986. A special feature of the celebration was an awards banquet held January 12 in connection with the Association's Annual Meeting and Conference during Farm and Home Week. Fourteen past presidents were presented with a special ruby inlay pin and bar. Also recognized were four society members who received Honorary Life Memberships in the Association.

One-day regional meetings were organized by the association. These meetings provided society members with an opportunity to get together to exchange ideas and discuss matters of mutual interest and concern. The regional meetings also helped to maintain a strong bond between the local agricultural societies and the provincial association.

The 76th annual meeting was held in January during Farm and Home Week at the University of Saskatchewan. Two hundred and three delegates from 62 societies were in attendance.

VII. Counselling and Assistance for Farmers Program

The Counselling and Assistance for Farmers Program provides counselling and operating loan guarantees to eligible farmers who have been declined operating loans from their primary lending institutions.

In 1985-86, 1,046 farmers applied under the program and received counselling by farmer panels who have proven production and financial management abilities. The counselling consisted of suggesting farm operating changes which would enhance the viability of a farm. For those operations which have the potential of being viable, the panels recommended that operating and/or consolidation loan guarantees be offered.

In 1985-86, lenders accepted 538 operating loan and consolidation loan guarantees totalling $41,181,000. The average guarantee was $76,500. Where applicable, the 1984 loan guarantees were extended for the 1985-86 year.

The Farm Resource Line was begun in 1985 and this has proven to be well utilized. Farmers from all areas of the province phone to receive information on the various government programs and for direction in solving a wide variety of farm problems. Questions in regard to financial difficulties are the major concern.

VIII. Horticultural Societies

Horticultural Societies promote the enhancement of grounds and gardens through educational events, competitions and by doing volunteer horticultural work in their communities.

Saskatchewan Agriculture supports horticultural activities at the local and provincial level. During this fiscal year, the department paid out $27,025 in grants to horticultural societies. An additional $1,765 grant was paid to the Saskatchewan Horticultural Association.

Thirty-seven societies were active in 1985-86. This is an increase of one over the 1984-85 figure as the Maple Leaf Horticultural Society was formed at Craik in the summer of 1985. The projects undertaken in addition to the regular horticultural shows included lectures, tours, demonstrations, competitions, community flower, shrub and tree planting and judge's school.

Growing conditions in Saskatchewan in 1985-86 were far from ideal and many gardens, flowers and fruits were destroyed by drought, hail and grasshoppers.

Fall horticultural shows and the sponsorship of educational events such as courses and workshops on horticultural husbandry continued to be the most popular activities of societies.

Horticultural societies provide information on new developments in cultural practises in fruit, vegetable, flower, shrub and tree production. Several societies and their members provide instruction for horticultural classes sponsored by community colleges. Other societies provide information to the public by press, radio, television, special speakers at seminars, courses, workshops, demonstrations and planned tours. These educational activities are most significant in the dissemination of information on horticulture.

During 1985-86 the Saskatchewan Horticultural Association undertook a variety of projects and continued support of the Ornamentals Demonstration Plots at the Experimental Farm in Indian Head.

The 1985 Provincial Show was held in North Battleford in August attracting 1,000 entries and the Annual Convention was held in Saskatoon. Several judge's schools were conducted during the Provincial Show in various subjects. The convention included the annual meeting and many lectures and demonstrations.

Economics Branch

The Economics Branch aims to improve the economic environment facing Saskatchewan farmers and to assist them in making effective decisions within that environment.

The branch works with producer groups, marketing agencies, department branches and agencies and other government departments in initiating, developing, implementing and evaluating activities and programs in areas of marketing, land use, production economics and farm business management to assist the agricultural industry to achieve its earning potential. Improving the competitive position of Saskatchewan agriculture products in national and international markets is of parallel importance.

I. Agriculture Development Fund Section

The Agriculture Development Fund Section of Saskatchewan Agriculture was initiated in the spring of 1985 to enhance research, development and demonstration projects.

The five-year, $200 million commitment will help the province develop and utilize new technology to make farmers more efficient and competitive on the international market.

The section, composed of the Saskatchewan Agriculture Research Fund (SARF), the Agriculture Development fund (ADF), and the Economic and Regional Development Agreement (ERDA - a sub-agreement with the federal government on agricultural research), supplements the operating budgets of innovators and researchers through contracts on individual projects. To date the Agriculture Development Fund Section has supported 272 demonstration projects and 101 research and development projects.

Contracting out research, development and demonstration projects is the section's key function. In addition funds have been granted to individual irrigation projects, POS (protein, oil, starch) projects, the Veterinary Infectious Disease Organization (VIDO), and group irrigation projects conducted by the Saskatchewan Water Corporation.

During 1985-86, much time and effort was put into organizing the administration for the section, establishing a policy for demonstration projects, outlining publicity for the fund, and developing a computer research information system.

The enhancement of all agriculture research, development and demonstration projects is a long term commitment to farmers and rural communities of Saskatchewan.

II. Farm Management Section

The primary role of the farm management section is to develop, organize and provide farm management information and advice to farmers, extension staff, course instructors and other farm advisors.

This section is responsible for advising policy makers on matters pertaining to economics and farm management and for providing economic analysis in the area of alternative production techniques.

The following bulletins were published during 1985-86:

- Leasing Farm Machinery
- Specialty Crops Brochures
- Part-Time Farming
- Farm Business Arrangements
- Evaluating Computer Software
- Insurance Management for Farmers
- Savings and Investments
- Sources of Farm Credit
- Designing Your Own Farm Accounting System
- Farm Credit Management
- Farm Machinery Custom and Rental Rates

New bulletins in 1985-86 were as follows:

- Fertilizer Economics
- Farm Credit Legal Rights and Obligations
- Swine Economics

During 1985-86, the farm business analysis program was continued to serve as a business analysis service to 683 farmers and to provide average cost of production information. The farm management calendar was updated. Several materials were updated and revised in the Saskatchewan Farm Business Management Data Manual, including Grain Drying Costs, Sheep Production Costs, Beef Production Costs and Budgeting Data, Swine Production Costs and Budgeting Data, and Grain Production Costs.

Staff members analyzed several policy and program issues during the year, including fluid milk pricing and income tax changes.

During the year 1985-86, the section revised the financial management home study course which had an enrollment of over 800 farmers. The course consisted of six modules with each module containing a number of lessons, each dealing with specific aspects of financial management. The final module was on marketing. This was a new area and was forwarded to all 1985 participants in the home study course. The staff also participated in several meetings with participants to further strengthen their financial management skills.

Staff provided support to the development of the Counselling and Assistance for Farmers Program. Staff were involved in designing, reviewing and analyzing procedures for applicants to the Counselling and Assistance for Farmers Program. Staff also provided support to the Cabinet Committee on Farm Input Costs in scheduling and attending hearings and developing resource materials.

A new program establishing farm management clubs was started in the fall of 1985. Staff developed training materials, slide tape presentations, instructor's manuals, and provided training for the instructors. Farm management staff also provided a number of training workshops during the year including farm incorporation, farm operating arrangements, and participated in meetings with regional specialists on the development of information on tax management. Information and data was supplied to other branches on the economics of alternative forage handling systems, stubble cropping, and other specific topics.

III. Market Analysis Section

The market analysis section has five major responsibilities:

- Provide economic analysis of marketing-related problems in agriculture and analyse current market trends and short and long term outlooks for crops and livestock.

- Provide analysis of and make short and long term projections of farm incomes.

- Provide analysis of trade issues and provide options to enhance the trade of agricultural products.

- Assist in the development and administration of market insurance plans for producers.

- Provide economic analysis of agricultural issues that impact on producers, agribusiness and others in the agricultural sector.

The section provides various types of information on market outlook including market notes, newspaper columns and the annual Crop Prospects Conference.

The section provides the central administration for the operation of three provincial market insurance (stabilization) programs. The programs are:

- The Saskatchewan Hog Assured Returns Program, which has been operating since 1976. Over 80 percent of the hogs produced in the province are in the program. SHARP is being phased out over the next five years as the province joins the national tripartite stabilization plan for hogs.

- The cow-calf-to-finish market insurance plan has been operating since 1982. Approximately 3,000 production units participate in the plan.

- The feeder-to-finish market insurance plan has been operating since 1983. Approximately 950 production units participate in the plan.

Over 60 per cent of the finished beef produced in Saskatchewan is enrolled in the two market insurance plans.

The section provides the central administration for the hog and sheep national tripartite stabilization plans. The agreements for these commodities were signed during the fiscal year and will become fully operational in the next fiscal year.

IV. Research Section

The research section provided economic research, program development and program administration services. The section also provided support staff for program review and special projects.

The section was responsible for the administration of several ongoing programs. Staff was provided to the Natural Products Marketing Council which is the supervisory body for marketing boards and commissions established under **The Natural Products Marketing Act**. The research section provided a representative to the Environment Assessment Review Panel in the Department of Environment to ensure that the impacts of major economic development projects on agriculture are considered. The Feeder Association Loan Guarantee Program, which provides government guarantees on loans to feeder associations, is also administered by the section.

The research section provided support staff on the following projects in 1985-86:

- Development of national agriculture policy
- Development of the Production Loan Program
- Budget review for the Department of Rural Development
- Cabinet Committee on Farm Input Costs
- Numerous conferences, seminars and policy meetings.

V. Statistics Section

The statistics section collects, analyses, interprets and disseminates agricultural statistics.

The statistics section handles several hundred enquiries each year. These responses assist individuals dealing with legal, social, economic and production subjects.

Agriculture-Natural Resources Division of Statistics Canada and Saskatchewan Agriculture have a long-standing working relationship. Statistics Canada conducts more than 100 agricultural surveys in Saskatchewan each year including surveys of producer seeding intentions, seeding progress, crop production and yield estimates of principal grains,

livestock inventories, farm commodity prices, expenditures and capital value. The statistics section assists with the design of these surveys and the analysis, interpretation and distribution of the survey results.

The statistics section has identified areas where statistical information is not readily available and has compiled required publications. Market information on farm commodities is published each week. The Cattle Marketing Report which tracks movement and marketing of cattle, is sent out monthly and annually to more than 400 cattle producers and organizations.

The statistics section continued the regular crop reporting service providing current information on Saskatchewan crop conditions for producers, agribusiness, foreign government agencies such as the United States Department of Agriculture, and Saskatchewan Agriculture staff. Saskatchewan farmers and agricultural representatives were surveyed from April through the end of harvest.

The specialty crop information program includes a Specialty Crop Intention Survey in March and a Specialty Crop Report, detailing area and production in November.

The statistics section prepares a one-page statistical fact sheet which highlights the province's agriculture industry. The section also prepares a comprehensive statistical handbook providing current and historical agricultural data.

The statistics section also administers the Saskatchewan Feed Grain and Forage Listing Service. The listing service provides a means for sellers to publicize the feed grain and forage available for sale and for buyers to find out where feed supplies are available.

The Department of Agriculture, through the statistics section, contracted the University of Saskatchewan to undertake the Saskatchewan Farm Input Price Survey. The survey, which began September 4, provides per unit prices for up to 30 farm inputs in 25 Saskatchewan communities. By publishing the range of prices among locations, the survey demonstrates the value of comparison shopping to lower the cost of production.

VI. Tax Credit Section

The tax credit section is responsible for the administration and development of tax credit programs.

The Livestock Investment Tax Credit Program was introduced March 22, 1984 and since that time $10 million in tax credits have been distributed to approximately 10,000 producers and investors. The section processes applications for the tax credit, and audits applications.

This section also provides information to producers as well as non-farmer investors who are interested in feeding livestock for the tax benefit. The information includes budgets on cost of production and breakeven analysis as well as information on other government programs which can be used to support the feeding industry. An active role is also taken reviewing other programs which relate to the section.

This unit also is involved in the development of new programs. The Livestock Facilities Tax Credit Program was introduced in May of 1986 and is retroactive to January 1, 1986. The section assisted in all aspects of program design and implementation.

As well as the development and administration of tax credit programs, the staff provide support to other sections of the Economics Branch, especially in the area of taxation.

VII. Saskatchewan Matching Grants-in-Aid Program

The branch assumed responsibility for the Saskatchewan Matching Grants-in-Aid Program. The program, which is administered through the Saskatchewan Council for International Co-operation (SCIC), provides matching grant assistance for development projects in developing countries around the world. The 1985-86 budget was $900,000.

VIII. Farm Land Security Board

The Farm Land Security Board is responsible for administering the Farm Land Security Act. The purpose of this Act is to afford protection to farmers against loss of their farm land.

The Farm Land Security Act came into effect on January 1, 1985. It established a Farm Land Security Board presently made of six board members. They employ a general manager, two secretaries, and 14 financial fieldpersons. To assist in the mediation process, approximately 50 farmers from all areas of the province are used on committees.

The Farm Land Security Act severely restricts farm foreclosure actions against farmland. It is designed to protect farmers against loss of their land.
The Act requires a creditor to give 120 days Notice of Intention to Foreclose. The Board then investigates the financial affairs of the farmer. Mediation is attempted by a three-person committee. If mediation fails, a court report is prepared for the Court of Queen's Bench, which gives the Board's views on viability and comments on the effort made by the farmer to meet his obligations.
During the last fiscal year, April 1, 1985 to March 31, 1986, the Board received 449 notices. Of the 278 cases completed, they were successful in keeping 135 on the farm, by mediating 88 cases, and preparing favorable court reports for 47 farmers. Seventy nine court reports favored the creditor, 31 farmers did not want any assistance from the Board, and 18 court

reports were neutral as the issue was a legal matter, and not one of viability or sincerity of repayment efforts.

Through the mediation process, communications and relations between creditors and their clients have improved. Farmers are pleased with the mediation efforts, and appreciate the compassion and understanding shown by the Board and staff in helping them prepare cases for court, if they proceeded to that stage.

Extension Service

The Extension Service objective is to provide an information and development service to farmers to enable them to take advantage of their opportunities.

Each of the six extension regions develops its own programs based on local needs. Extension field staff consists of three regional directors, 45 agricultural representatives and 31 specialists in farm management, agricultural engineering, communication, livestock, soils and crops, and farmstead development.

The branch works with other public and private agencies to deliver extension programs. These agencies include the Extension and Community Relations Division, University of Saskatchewan; community colleges; Wascana Institute of Applied Arts and Sciences; Employment and Immigration Canada; Agriculture Canada; Department of Indian Affairs and Northern Development; Department of Regional Industrial Expansion; agribusiness and producer groups.

I. Program Development

Extension staff members work with agricultural committees, district boards, regional councils and local organizations concerned with agriculture in program planning, disseminating information, publicizing department programs, evaluating and gathering reaction to various programs, policies and concerns.

II. Extension Activities

The Agriculture Development Fund provides financial assistance to farmers to establish projects on their farms to demonstrate proven innovative practices in crops and livestock production. Financial assistance is provided for project costs which are above the farmer's normal operating costs.

Under the Agriculture Development Fund program, staff developed projects to demonstrate innovative crops and livestock production practices. Projects included salinity control, intensive cropping systems, fertilizer response and placement, winter annual weed control, special crops and alternative summerfallow systems, micro-nutrient deficiencies, early weaning of calves, chaff ammoniation, grazing systems and extended cropping projects.

The 1985 harvest season was wet and grain drying and aeration were common throughout the province except in the extreme southwest, which experienced severe drought. Staff provided updated information on natural and heated air grain drying equipment and drying quality control.

Wind erosion and severe drought in recent years has raised interest in an alternative to the conventional two and three year summerfallow-crop rotation practices. Staff encourage alternative summerfallow methods, extended rotations and soil conservation.

Grasshopper infestations continued to cause severe problems in some areas and were forecast to be severe in 1986.

The Bright Sands and Fairlight Forage projects had a successful year demonstrating forage species, fertility and management practices for forage crops.

There was continued interest in the feeding and finishing aspects of beef production. Producers required information about custom feedlots, keeping calves longer and handling cattle efficiently through improved facilities and management practices. Veterinary seminars were held throughout the province. Other topics promoted were disease control, livestock nutrition, growth implants, balancing rations using computers and straw ammoniation. The Savory concept (controlled rotational grazing) created a great interest in pasture managment systems.

As economic and financial difficulties continue for many farm families, the complexity of managing the farm business increases. During the year there were more requests for information about farm management and financial planning. There was also continued interest in cost of production information indicating a concern for escalating input costs. Farm business study groups were organized province-wide. Computers assisted greatly in the farm management program area.

Agricultural representatives also worked closely with rural municipalities in planning and delivering jointly sponsored agricultural programs. These were delivered through district boards, municipal councils or ad hoc appointees of the council.

Staff continued to provide information to farmers through newspaper articles, periodic newsletters and regular radio and television spots and programs. The communications program provided farmers with current information quickly, and information about department programs and policies. Individual farmer inquiries increased again in all regions, as did the number of meetings and short courses.

Extension activities were steady in the soils and crops areas such as salinity, extended crop rotation, alternative crops and weed control. Interest in winter wheat production was high with a sharp increase in seeded acreage. Interest continued in beef and hogs, grain handling, storage and drying, and forage handling systems.

III. Extension Policies and Programs

Agriculture Development Fund activity continued at a high level during the fiscal year. Two hundred and thirty-eight locally initiated demonstrations were established and payments of $183,276.92 were made to co-operating farmers.

Forty-three district boards received grants totalling $334,127.78 to cover two-thirds of the cost of employing fieldworkers to conduct a variety of pest control projects. The Rat Control Program received excellent co-operation.

The Department continues to support the 4-H program. Grants to 4-H, totalling $338,678.50, were paid during the year.

1. Saskatchewan Indian Agriculture Program

The Saskatchewan Indian Agriculture Program (S.I.A.P.) continued to operate under an agreement between the province and the Saskatchewan Indian Agriculture Program Incorporated. Major emphasis is placed on developing viable farms on Saskatchewan reserves.

The Saskatchewan Agriculture — S.I.A.P. agreement provides for agricultural representatives and extension specialists to work with Indian farmers and band councils to achieve the goals of the program. Agricultural representatives work with district boards which have representation from all reserves. The district agricultural representatives supervise and train staff employed by S.I.A.P. including Indian assistant agricultural representatives, horticulturists, home economists, financial advisors, on-site advisors and summer students.

Twenty-nine on-farm Agriculture Development Fund projects were conducted through S.I.A.P. during the year. Interset in fur ranching and native berry production and marketing is increasing.

The Indian 4-H program had over 1,000 members. Main agricultural projects include 130 poultry and over 300 gardening projects.

2. Northern Agriculture Unit

The Northern Agriculture Unit continued its activities in wild rice production. The wild rice specialist conducted research into rice production and assisted new growers to develop their operations. An Agriculture Development Fund project was conducted on the Mercer River to study the effect of thinning plant stands on future year production. The Small Scale Food Program employed three technicians to assist northern residents in establishing community gardens and small livestock operations. The horticultural research plot at Potato Lake continues, with fruit and vegetables being planted to determine suitable varieties and production practices for the north.

3. Agricultural Engineering Section

The Agricultural Engineering Section provides resource specialist services to the department and other agencies in the area of farm building plans, farmstead planning, farmstead equipment and mechanization, heating systems, alternate energy source development, energy conservation and seed cleaning plant design.

Significant areas of involvement in the past year included the refinement of hog building plans and ventilation system design, natural air grain drying systems due to an unusually wet fall, study of the developments in use of grain for ethanol production, and promoting systems to mechanize the collection and feeding of chaff.

The section carries out engineering-related on-farm research and demonstration projects on its own or in co-operation with other agencies. Projects for the year were: performing infiltration tests on farm shops to provide data for development of standards for heat loss calculations; assisting agrologists by providing soil temperature data for winter wheat demonstrations; monitoring the performance of fogging systems for dust control in turkey broiler buildings to provide recommendations for other producers; providing co-ordination between Saskatchewan Research Council and agricultural representatives in a program to monitor energy inputs for various innovative agronomic practices; funding and managing a project to develop a microcomputer-controlled ventilation system for a hog production facility; monitoring the performance of equipment to control iron bacteria in wells; and providing assistance to technicians evaluating the performance of equipment for iron removal from well water.

The Compressed Natural Gas Demonstration Program was implemented by the section. The purposes of the program are: to obtain credible data on the amount of fuel that can be displaced by natural gas; to investigate the technical and economic factors that are critical to widespread use of compressed natural gas (CNG) on farms; and to assist farmers in becoming more efficient by providing practical information on the use of CNG. Work was completed to determine systems which are feasible for fueling and storage facilities, and for diesel and gasoline engine conversions.

Section staff organized and supervised a seed drill survey of nearly 1,000 farms throughout the province. Results showed an improvement over the previous year in the quality of seed. A major information program was undertaken to explain the need for and how to obtain quality seed.

Staff assisted in organization and participation in other extension activities such as Swine Design, the IndEX show, farm building contractors' schools, seed cleaning workshops and "What's in Stock for You". Staff contribute regularly to a newspaper column to answer enquiries of an engineering nature.

Staff participated in programs of several provincial and national organizations including the Canada Plan Service, the Canada Committee on Agricultural Engineering, the Expert Committee on Energy and the Saskatchewan Advisory Council on Agricultural Engineering.

4. Farm Home Consultant Program

Home design information is provided to farm families, rural house builders and other government agencies to ensure that the unique characteristics of a functional farm home are recognized.

Energy-conserving features have been accepted as common practice. The greatest activity has been in the area of renovation and retrofitting existing homes. The principle of expandable house design has been publicized and received with considerable interest.

5. Farmstead Development Section

Technical advice is provided on the installation and operation of automated farmstead water and sewage systems. Demands for water treatment recommendations increased substantially due to water quality deterioration caused by the severe drought of the past several years.

Under the Irrigation Assistance Program, technicians assist farmers with their applications for assistance; check water supply quantity and quality; collect water samples for analysis from established water reservoirs, rivers and streams where water supplies may be used for irrigation; and carry out inspections of new irrigation development.

6. Drought Assistance Program for Movement of Cattle

This policy provided assistance for the movement of breeding cattle from stricken areas to available pastures. Assistance was provided for the movement of cattle where necessitated by drought, not for normal cattle movement.

A total of 455 applications were received; $478,553.35 was paid in assistance to move 69,292 cattle.

7. Farmstead Improvement Section

This section administers The Pollution (By Livestock) Control Act, 1984 and assists livestock producers in controlling pollution. One farmstead engineering specialist works in each region as a member of the regional extension team assisting farmers to improve their farmsteads.

The Pollution (By Livestock) Control Act, 1984

During 1985-86, 97 applications were received, 46 permits were issued to construct livestock facilities and 16 complaints were investigated. Farmers are encouraged to locate and operate livestock facilities to minimize complaints from odors, flies and pollution.

Livestock Pollution Abatement

Saskatchewan Agriculture shares in the costs of relocating livestock facilities to more desirable locations if the facilities were built before The Pollution (By Livestock) Control Act came into effect in 1971 and where other pollution control methods are not practical.

During 1985-86, a total of $5,249.94 was paid on nine projects.

8. Agricultural Shows

MEXabitions were organized in Saskatoon and Regina and advice provided to other show organizers.

The 21st annual MEXabition was held in Saskatoon with the Saskatoon Fall Fair and in Regina with Canadian Western Agribition. Attendance was estimated at 40,000 in Saskatoon and 150,000 in Regina.

Two farm families assisted in selecting exhibits. The selection committee recommended that emphasis be placed on farm finances and water treatment.

"MEXabition Theatre" combined eduation and entertainment. The home section included many home improvement and educational exhibits.

"MEXabition" is an effective means for introducing new technology and programs. The participation of suppliers and agencies is appreciated by the many farm families who attend each year.

9. Computers in Agriculture

The major areas of involvement included determination of computer equipment requirements, selection or development of useful software for clerical and professional requirements and determination of training requirements for staff.

Equipment is in place which has improved the efficiency of support staff—all district and regional offices now have computers. Professional staff have software programs which can assist them in livestock ration formulation, herbicide application, ventilation system design, and accounting and other farm management related functions. Staff have access to Agritex, a communications network. Staff training in the use of the many capabilities of the computer has been a high priority and an ongoing process. Staff are encouraged to develop software programs to assist in the delivery of extension information.

Future emphasis will be on the use of the computer as a communications link for information transfer between offices. Staff also plan to provide courses to farmers in which information generated by the computer will be the focus for the course.

Farm Purchase Program

The Farm Purchase Program was implemented December 17, 1982 to assist beginning farmers and those with small and medium-sized farms to buy land. The program provides financial assistance to offset high interest costs and ensures stable interest rates for the first ten years of a farm land purchase. For the first five years of a loan, the Farm Purchase Program pays interest rebates equal to the difference between amortized loan payments at available interest rates and payments at eight per cent. For the next five years, rebates equal the difference between payments at available interest rates and payments at 12 per cent.

I. Program Delivery

Program eligibility is established by the lender at the time the loan is applied for. Lending decisions and ongoing loan administration are the responsibility of the lender. The Farm Purchase Program Branch administers the program with a staff of seven. Administration costs in 1985-86 amounted to $364,282.

II. Program Progress

During the fiscal year, 1,399 loans were enrolled in the program. Since the program started December 17, 1982, a total of 5,207 individuals have enrolled 5,593 loans. During the 1985-86 fiscal year $114,035,000 in eligible loans were enrolled bringing the total value of loans enrolled to $559,269,000 by year end. In 1985-86 $17,826,391 in interest rebates were paid bringing the total to $35,299,482 since the program began.

Feeder Association Loan Guarantee Program

The Feeder Associations Loan Guarantee Act was passed in July, 1984. The purpose of the Act is to provide government guarantees to financial institutions who provide loans to members of organized feeder associations for the purchase of feeder cattle and calves.

The program is promoted through press releases, brochures, advertising and public information meetings held throughout Saskatchewan. From April 1st, 1985 to March 31, 1986 there were 15 information meetings held in the province.

As of March 31, 1986 there are nine associations which have received their funding and guarantees from the Government of Saskatchewan. The nine associations have a total membership of 465 Saskatchewan residents and have a total guarantee of $1,881,250 on $7,525,000 of authorized loans.

As well as the nine associations which have received their guarantees there are also seven other groups in various stages of development.

Human Resources Branch

Human Resources Branch provides the department with staffing, classification, staff relations, training and development, and payroll services. It also provides policy direction and guidance for administration and management of personnel to both the department and its associated agencies. On April 1, 1985 the branch was assigned the additional responsibility of providing complete personnel services for the departments of Urban Affairs, Rural Development, Environment, Saskatchewan Assessment Authority, and the Agricultural Credit Corporation. This included delegated responsibility for both the staffing and classification function.

I. Administration

The branch was required to develop and revise a number of forms and develop new procedures as a result of the decentralization of the personnel system in government. Near the end of the fiscal year a new computerized personnel system was implemented by the government which required the branch to acquire additional equipment and to train a number of staff in its operation.

The branch also worked closely with the Public Service Commission to implement a performance appraisal system for out-of-scope employees.

II. Staffing

As a result of decentralization of the human resource function in government, the branch became responsible for the complete staffing function for the six agencies assigned. During the fiscal year 1985-86 the staffing unit completed 91 competitions for permanent positions, comprising 49 professional, 10 technical and 32 clerical. In addition, the staffing unit assisted management in recruiting casual, temporary and labour service employees to meet program needs. In all, there were 553 staffing actions in 1985-86.

III. Classification

The branch completed 62 classification actions of permanent classified positions and two labour service positions. In addition approximately 300 classification decisions were made in regard to temporary, part-time, labour service and casual positions.

IV. Staff Relations

The branch provided assistance to the Saskatchewan Pork Producers Marketing Board in preparing management proposals for negotiations with the Saskatchewan Government Employees' Union. In addition, the branch co-ordinated management proposals and worked with the Public Service Commission on the collective agreement that covers the department's employees.

V. Training and Development

Training and development of employees is a continuous program in the department.

1. Each year the Public Service Commission offers courses in special skills such as leadership, effective writing, and managing a small work unit. In 1985-86, 167 department employees participated in these courses. In addition, employees attended special seminars and courses of a technical nature directly related to their professional discipline.

2. The Saskatchewan Agriculture Information Delivery System was upgraded. This office automation provides computer functions and word processing. Due to the upgrading of equipment, additional training co-ordination with Administrative Services was required. Training continues to improve the efficiency of our department.

3. Publication of the series "Personal Development Notes" was continued. These are short monthly articles on various aspects of staff development. Approximately 550 copies of each article were distributed to staff in the department. Five thousand copies of the publication 'Personnel Management for Farmers' were printed in 1985-86.

VI. Payroll

As part of the decentralization of government personnel services, the branch became responsible for payroll administration for the departments of Urban Affairs, Rural Development, Environment, and Saskatchewan Assessment Authority. This service provided full pay benefits record keeping, pay benefits calculations and information services regarding staff entitlements. In addition a new pay plan for out-of-scope employees was implemented. In anticipation of a new automated payroll system slated to start in the new fiscal year, payroll staff spent considerable time in orientation and training for the new system.

Information Services Branch

The objective of the Information Services Branch is to disseminate information relating to programs, policies and services provided by Saskatchewan Agriculture to various publics through a variety of methods.

In May of 1985, the Communications Unit of the Extension Service Branch became an individual branch, called the Information Services Branch; however, the functions and responsibilities of the old unit remained unchanged although restructured under its new name and status.

The branch is responsible for providing the many "farm publics" with (a) an understanding of various programs, policies, and services of the department, (b) technical information about all aspects of farming to enhance agricultural production, and (c) an understanding of the government's commitment to the family farm and its intention to continue in a leadership role in Canadian agricultural deliberations.

The branch assists and/or coordinates information dissemination on behalf of the minister and the department regarding the above responsibilities.

The operations of the Information Services Branch are grouped into the following sections:

1. Agricultural Library

The library retrieves and disseminates agriculture-related information and furnishes research support for the department. Its operation includes the Publications Distribution Centre, which serves as a central storage and distribution facility for all department publications.

In November, 1985 the Publications Distribution Centre was established within the Agricultural Library. The PDC co-ordinates distribution and storage of all department publications. The centralized access of all department publications within the Information Services Branch ensures more efficient and economical production and distribution procedures for all department publications.

A new monitoring service was undertaken within the branch (Agricultural Library) in October 1985. The service includes a clipping service of Saskatchewan daily and weekly newspapers; and monitoring Question Period in The House of Commons and the Saskatchewan legislature as well as major radio and television agriculture programs.

2. Audio Visual Section

The audio visual section houses and distributes all audio visual equipment and materials for use within the department. It also provides user assistance on all aspects of audio visual production within the department.

Among the film and slide presentations undertaken within the branch in 1985-86 were:

- Three part irrigation series: Plan to Pump, When to Turn Off the Tap, and Know Your Soil.
- Rat Control on the Farm
- The Wheat Midge Problem
- The Grasshopper Problem
- Compressed Natural Gas
- Snow Management
- Soil Conservation
- Lentil Harvesting
- The Cutworm Problem
- Farm Management Seminar Series
- Saskatchewan Wild Rice Industry
- Farm Purchase Program
- Agriculture Development Fund

3. Media Relations Section

The media relations section coordinates the preparation and distribution of information to various publics on government agriculture programs, policies and services.

Some major public awareness programs were coordinated on behalf of the department including advertising campaigns related to grasshopper spraying and drought.

During the fall of 1985 the media relations section assisted in the planning and staging of a major agricultural conference in Saskatoon. The conference, which involved representatives of government and major farm organizations, produced the government's national agriculture position which was presented to the first ministers meeting in Halifax in November, 1985.

Two major new initiatives, Production Loan Program and Farmers Oil Royalty Refund Program, were introduced for Saskatchewan farmers effective January 1, 1986 and required public awareness campaigns.

Promotion of the special cabinet committee on farm input costs was coordinated through the branch. The five member committee conducted 13 meetings and a final report was released in June, 1986.

In March, 1986, a four-part series entitled Facing Our Future was presented on Saskatchewan television stations. The series explored the current crisis facing agriculture and offered a possible future direction for the industry.

4. Print Section

In 1985 the print section was established to coordinate the preparation and production of all department publications. During its first six months of operation, more than 100 publications and numerous miscellaneous printing jobs were processed by the print section. In addition, the print section serves as a resource centre for the department on all print related productions.

Irrigation Branch

The major branch activity of the year was continued co-ordination of the most ambitious irrigation development program in Saskatchewan's history. The west central and southern regions of Saskatchewan each share 40 per cent of the current program activity. The fertile Black soil zone has increased to a 20 per cent share of irrigation development. The process included co-ordinating preliminary hydrology, agronomic and economic feasibility, soil and water certification, and engineering design services. Many disciplines and agencies were involved. This branch provided or arranged for the on-farm services. Saskatchewan Agriculture provides a development grant of $100 per acre for each intensively irrigated acre and $33 for each non-intensively irrigated acre. The grant is payable over three years. The co-ordination of federal and provincial agencies is aided by the computer based irrigation information system.

A. Services to Individual Farmers

The service to potential irrigators was again expanded to accompany the new irrigation development program. This branch provided information for potential irrigators to assess the feasibility of their projects. The branch also undertook 600 soil-water investigations to determine their suitability and compatibility for irrigation. The branch assisted in providing a preliminary hydrology report on each project. The computerized system provided comprehensive records of each irrigation development project. The system can give immediate responses to inquiries on the current standing of any project. In the fiscal year, April 1, 1985 to March 31, 1986, 565 new applications were processed, representing potential development of 45,200 acres. While some projects were cancelled or placed on hold by farmers, 206 projects or 14,058 acres received grants under the Irrigation Assistance Program. The amount of grants paid in the fiscal year was $782,462.

The branch contracted services with irrigators under the "Program For Improved Irrigation Management." In 1985, 215 summaries were prepared for 41 farmers throughout the province who irrigated some 8,825 acres.

The purpose is to provide irrigation farmers with a working knowledge of irrigation scheduling techniques for the purpose of improving crop yields and maximizing irrigation efficiency. The branch was committed to installing soil moisture measurement equipment and to inspect each site on a bi-monthly basis throughout the summer months. As a result of each call, a handwritten summary of observations and recommendations was provided to the farmer. The irrigating farmer agreed to provide production records as requested, to permit access to the field for educational purposes, and to accept responsibility for any damage to branch equipment installed on his land. The farmer agreed to obtain some basic equipment such as a soil probe and rain gauge.

B. Group and Public Services

"Irrigation on the Prairies" was the theme of the Fourth Annual Western Provincial Conference hosted by Saskatchewan in Saskatoon on November 25 to 27, 1985. Program responsibilities included inviting 28 Canadian and American speakers to address some 200 delegates. Six hundred copies of the proceedings were distributed as an extension of the conference.

The "Irrigation Newsletter" was the main publication of the branch. Circulation increased at a rate of 500 subscribers per issue. By the fourth edition 5,000 copies were distributed. The newsletter directly generated 317 letters of inquiry, 126 were program responses related to potential irrigation development and 48 purchased the book "Irrigation on the Prairies". The Irrigation Manual, a binder of branch-approved publications, and the Irrigation Manual Supplement continue to be purchased by irrigation advisors and the public. The manual has a current enrollment of 377 users. New branch publications appeared in the handifact format.

A film and video production series on applied soil and water topics was initiated. The target audience is farm clients and agricultural advisors. Co-operative projects with Saskatchewan Education, Ag-Com Productions and the commercial media generated several new video productions on the topic of irrigation that aired provincially and nationally.

Growth in the branch's province-wide function complements the acceleration in irrigation activity. Some 37 educational events were offered in co-operation with the Extension Service, Saskatchewan Water Corporation or Prairie Farm Rehabilitation Administration. The objective was to both upgrade the technical expertise of farm clients and provide professional training. Other educational support was offered at the high school, technical institute and university level.

C. Research and Development

Planning for The Saskatchewan Irrigation Development Centre was started. Saskatchewan Agriculture and Agriculture Canada jointly identified this need and established a co-operative structure to fund irrigation research, testing and demonstrations. This extensive six months of preparation has made the operation of the centre a reality in 1986.

The Minister's Advisory Council on Irrigation, comprising six appointed farmer members, completed its first full year of service. The council aids government policy development for irrigators. Recommendations have focused on energy costs and rate structures, land use issues, irrigation development processes, crop insurance coverage, and many other needs of farmers who irrigate.

The branch performed a lead role in many water studies related to agriculture, irrigation development and quality of our soil-water resource. Branch staff presented papers and represented Saskatchewan Agriculture at the provincial advisory level, as well as nationally and internationally. A pilot project to format current and past irrigation research as annotated bibliographies was established. When this project is complete a full inventory of past and present research will be available. This will reduce duplication of research and demonstration efforts in the future.

"Irrigation Place" opened October 17, 1985, and is a 6,000 square foot new addition to the Outlook Town Hall Complex. These quarters house the head office of Saskatchewan Agriculture's Irrigation Branch, including 14 professional and support staff. This facilitated greater office automation plus the upgrading of computer and laboratory installations.

Since July 1, 1984, the branch has assumed responsibility for the water supply contract between Saskatchewan Water Corporation and Saskatchewan Agriculture. The branch, under this contract, pays the Saskatchewan Water Corporation an operation and maintenance charge for irrigation water supplied from the Saskatoon South East Water Supply (S.S.E.W.S) system. The charges paid in 1985 were a capital cost charge of $198,342 for a total charge of $434,811. Under this agreement water is supplied by the branch to 62 irrigators for their 16,153 acres of irrigated land. This service will be transferred to Saskatchewan Water Corporation when the contract expires in 1987.

Lands Branch

The mission of Saskatchewan Agriculture's Lands Branch is to enhance the economy of the province and to serve the public interest through responsible agricultural provincial land management and the promotion of proper land use.

Lands Branch administers provincial (Crown) land designated for agricultural production. On March 31, 1986 the branch administered 8,661,875 acres of land.

While most of the land the branch administers is suitable for agricultural production, some has potential for non-agricultural uses and some has severe problems that limit its productivity. The branch's programs therefore are designed to support the agricultural industry or to support projects that benefit the public or enable other important resources to be used.

Administration of provincial land is complex. Not only is the amount of land administered large, about 13 per cent of the farmland in the province, but also the number of transactions is large. The branch has more than 17,000 clients and every day some leases are changing hands or land is changing to private ownership. Handling and processing the tremendous volume of documents involves numerous steps and procedures, a high degree of precision, excellent records and specialized expertise. It also requires modern information technology to retrieve and store information quickly and efficiently.

Program delivery depends on up-to-date policies, local access to staff with the authority to make decisions, and informed staff, clients and public.

1. Policies and Procedures

Lands Branch policies are designed to encourage viable, economic farms and ranches, to provide a stable supply of grazing land or to allow provincial agricultural land to be used for non-agricultural purposes. They are designed to treat individuals who wish to obtain access to provincial land in a fair and consistent manner, but at the same time protect the land from degradation and ensure the public receives a fair return from its property.

Several policy changes were introduced in 1985-86. The Provincial Land Lease Allocation policy was adjusted to include a section for the allocation of special project lands. Special project lands are lands ineligible for sale but identified as having a high potential for hay production.

The Provincial Land Lease Assignment policy was updated to allow for assignment of cultivated leases which have been designated ineligible for sale.

The Provincial Land Sale policy was adjusted to delete the section requiring an individual who had purchased Crown land to pay capital gain on the sale of this land for up to two years following the date of purchase. The section requiring payments for timber rights now charges the amount designated under **The Forest Act**.

The Provincial Land Lease Renewal policy was adjusted to make the eligibility criteria consistent with other policies, and the section which renewed leases to age 65 was replaced with 33 year leases. In addition any lease may be renewed if it is within two years of expiry.

Besides changing policies to make them relevant to current conditions, Lands Branch introduced a new procedure for appraising land that lessees are eligible to buy. The branch began using private appraisers who are accredited members of the Appraisal Institute of Canada to determine land prices. The lessee pays an administration fee with his or her application to purchase and the department pays for the appraisal. The department limits its payment to the cost of one appraisal for each quarter of land leased. If the lessee disagrees with the appraisal, he or she can reimburse the department for the first appraisal and request a second one be done.

2. Programs

(a) Sales Programs

Tender sales of lands involving 58,086 acres resulted in sales of $11.1 million. Sales to lessees amounted to cash sales of $2.3 million (12,236 acres) and sales under time sale agreement of $3.02 million (20,394 acres). A total of 408 sales on 90,716 acres were completed in the 1985-86 fiscal year.

Sales to lessees were at fair market value. Terms were cash or time sale agreement. Time sales were for a 15-year term with a 15 per cent down payment required. Interest charged was 10 per cent for the first 10 years with the Farm Credit Corporation rate in the tenth year applied for the last five years. Land sold by tender was on a cash basis and was limited to farmers controlling land assessed at less than $30,000.

(b) Leasing Land for Agricultural Use

On March 31, 1986, 4,059 cultivation leases covering 1,353,625 acres were in effect. There were also 7,171 grazing leases on 5,340,128 acres including 505,909 acres leased to P.F.R.A. for their pasture purposes. The Provincial Community Pasture Program used an additional 789,126 acres in 54 cattle and two sheep pastures. There were 1,049 hay leases in effect on 158,399 acres.

The remaining land was held under sale agreement, miscellaneous leases (such as sand and gravel quarrying) or was unallocated. There were 316,048 acres of unallocated Crown land. Land remains unallocated because of low demand, low productivity, inaccessibility, poor drainage, severe topography, stoniness or excessive development costs.

(c) Community Pasture Program

Lands Branch operated 54 cattle pastures which carried 74,061 head of adult cattle plus 47,416 calves from 2,650 patrons. Some 31,766 cows were placed in department-operated breeding fields and an estimated 16,000 cows were bred in patron fields. The department also operated two provincial community sheep pastures located at Mortlach and Tompkins. Forty-seven patrons pastured 4,122 ewes and 1,561 lambs. Approximately 25,019 acres were under rejuvenation, costing an estimated $610,383. This rejuvenation was contracted to farmers and private contractors. In addition, $384,877 was spent in 1985-86 on capital construction and land development for provincial pastures.

(d) Land Improvement Program

In 1985-86, $403,607.35 was expended on land development on grazing and cultivation leases. Clearing was completed on 1,426 acres and 6,210 acres were broken. The development of 7,497 acres under the crop retention option was also authorized.

Lessees improved leased land through clearing and/or breaking where authorized by Lands Branch. Factors limiting development included wildlife habitat, soil type, topography, recreational value and importance for other uses. In most cases, the lessee paid the development costs and will recover those costs by retaining crops. (Where clearing is required, the lessee had the option of having the department pay the development costs, or pay for the development himself and retain crops to recover costs).

Assistance is dependent on funds available. Applicants who began improvement projects in previous years received priority.

(e) Abandoned Rail Line Program

Lands Branch activity in the Rail Line Abandonment Program accelerated in 1985-86. Under this program, the branch is responsible for finalizing disposition of abandoned rail rights-of-way after transfer of administration from the federal government to the province. To date, 28 of the expected 43 abandoned rail subdivisions have been transferred to the province. Advisory Committees have been established in 26 of the 28 subdivisions, and recommendations on dispositions of the land have been submitted by 21 of the committees. These 28 subdivisions include 8,645 acres in 546 miles of railbed; of these, 2,392 acres have been transferred to private ownership.

3. Program Delivery

(a) Field Operations

The delivery of Crown land policies and programs is carried out by the Field Operations section of Lands Branch. Thirty-one professional agrologists located throughout the province provide information and services to the farming public.

In 1985 the branch was reorganized. It combined the former field services and community pasture sections into the field operations. Field operation was regionalized by splitting the province into four regions: Northeast, Northwest, Southwest and Southeast. Each of these regions have a regional and assistant supervisor with five to seven land representatives in districts throughout the region. Within each land rep district there are up to three provincial community pastures.

Regionalization has put field operations staff in a position to improve client service. As a result, the service is faster and more efficient. It has also improved staff communication with the public.

Policies and programs have been developed so that farmers and lessees can obtain information from the field office. Farmers can determine if their leases are eligible for sale, if their leases can be approved for assignment, and what Crown lands will be eligible for tender sale in the district.

(b) Automation - Crown Land Management System

As part of the long term commitment to improved client service and efficient program delivery, Lands Branch has undertaken an ambitious automation project designed to speed the delivery of services and information to its rural clientele.

Designed to replace current manual procedures, the Crown Land Managment System will provide on-line data processing, retrieval and update capabilities. The system uses existing SaskComp hardware and the latest technologies. Enhanced productivity and the

unique ability to generate ad hoc reports are major features of the technology. This means a system that is easily adaptable to a changing and evolving business environment. These technolgies place the branch in a position to deal with the on-going changes in today's agriculture and adapt to demands of a large and varied client base.

A project of this size needs a team with abilities in many different areas. Management Systems Limited, was contracted for the analytical and programming efforts. Technical advice was provided by the consulting firm of Thorne-Stevenson-Kellogg. As well, staff resources within the branch and other areas of government were committeed to the project.

Working closely with branch staff, the consultants designed a methodical and integrated approach. Target deadlines were established including: October 1986 - completion of programming of the system; fall and winter 1986-87 - integration of data and conversion of print files to electronic data base; spring 1987 - full production.

In full production, a marked change in how the branch does business will be evidenced in faster replies, timely account reconciliation, fast access to records and reservations, greater accountability, and overall enhanced delivery of branch programs. In the longer term, improved planning and better land resource management will characterize the programs delivered by the Lands Branch of Saskatchewan Agriculture.

(c) Education and Communication

In September 1985 a manager of communications joined Lands Branch to develop and implement a communications strategy for the branch. The branch's target audiences, information dissemination needs and public profile were analysed. From this analysis a communications plan including definition of branch image, an audience - information matrix, and a communications methods-mix profile were prepared. Implementation of the plan also began in the fall of 1985.

The branch prepared a set of flip charts that could be used with small groups to describe the branch's purpose, programs and services.

At the 1985 Canadian Western Agribition, Lands Branch participated with P.F.R.A., Saskatchewan Agriculture's Soils and Crops Branch and the University of Saskatchewan in a soil conservation display. The branch focused on the Community Pasture Program's contribution to soil conservation while at the same time supporting the livestock industry. Two brochures, "Administering Agricultural Crown Land" and "Community Pasture Program" were prepared for and distributed at the display. Branch managers, regional supervisors, land representatives and other branch agrologists helped staff this display.

The branch began a newsletter, **Lands Branch Newsletter**, that is used as a vehicle to share information about the branch with clients and others interested in land administration.

Lands Branch News, a newsletter that shares information about staff additions, changes, retirements and accomplishments, provides news about branch programs, policies and direction and includes articles relevant to the jobs and working conditions, was begun to improve communication within the branch.

To document for historical and planning purposes the branch's programs, services, revenues and relevant statistics the branch published its own annual report as well as contributing a less detailed summary of branch activities for the department's annual report.

In response to the Extension Review Committee's invitation to make recommendations to transfer technology to the farming community better, Lands Branch submitted a brief to the committee outlining how improvements could be made in range management and land use planning and management.

Two staff conferences were held, one in the fall for field staff and one in the spring for support staff to provide in-service education in topics relevant to the staff's responsibilities and work environment.

4. Revenues

Land administered by Lands Branch produced a revenue of approximately $43 million in 1985-86. Major sources of revenue were land sales at $16 million, lease rentals at $22 million and community pasture operations at $5 million.

Livestock Branch

The Livestock Branch encourages an efficient livestock industry through program and policy development and by administering regulations to enhance the contribution of animal agriculture to the provincial economy.

Extension, advisory and supervisory services are provided by branch specialists, livestock technicians and brand inspectors for the benefit of farmers and the livestock industry. Liaison is maintained with research personnel in industry, universities, Agriculture Canada and livestock organizations.

I. Extension and Production Services Section

1. Beef Cattle Unit

Information on management of the beef cow herd continued to be a major thrust of the Beef Cattle Unit. A convenient pocket-sized record book was developed for the commercial cow-calf producer to record herd data for on farm use or for computer analysis on ROP. The beef unit provided speakers for extension meetings on beef production and management, including several organized by Saskatchewan Stock Growers' Association.

Two major seminars brought top quality speakers to Saskatchewan from across North America. "What's In Stock For You?", co-sponsored by the Saskatchewan Livestock Association; and the "Saskatchewan Cattle Feeders Short Course", co-sponsored by the Saskatchewan Cattle Feeders Association and University of Saskatchewan, attracted 200 cow-calf producers and 100 cattle feeders respectively as well as some 25 and 50 industry people respectively. Proceedings of both seminars, which are edited and published by the beef unit, are useful and popular sources of information on new technology and management.

The Federal-Provincial ROP Beef Program delivered through the beef unit continued to provide for genetic improvement of beef cattle through performance testing and record based selection. Some 14,000 calves were weighed under the program, and valuable genetic and management information was provided to herd owners. Producer input is provided to ROP through the Saskatchewan Advisory Board. Four bull test stations tested 996 bulls, the higest number ever in the province and a 48 per cent increase over last yar. The beef unit provided data processing for the two smaller private test stations and paid the cost of printing the monthly and final reports for all test stations.

A feedlot specialist and technician were added to the beef unit, undertaking to expand the certified preconditional feeder program in co-operation with the Saskatchewan Veterinary Medical Association. Goals of the feedlot program are to encourage feedlot development and to increase the accuracy of producer selection of degree of finish using the ultrasonic back fat scanner. Much time was spent working with producers putting together the logistical steps in feedlot development to capture the economies of scale and integrate the grain and cattle industries.

As well, the beef unit participated in the Commercial Cattle Show at Agribition, providing a warm-up trailer, display and weighmasters for the show and sale.

2. The Dairy Extension Unit

The objective of this unit is to provide information on dairy nutrition, mastitis control, housing, equipment and milking technique, as well as to help identify milk quality problems and their cause.

The two regional dairy specialists, a milk quality technician and the manager of the unit respond to inquiries and problems of the province's 740 dairy producers.

The dairy extension personnel monitor milk quality reports and provide assistance and guidance in identifying and correcting the problems.

3. Dairy Herd Analysis Service

In 1985-86 Dairy Herd Analysis Service (DHAS) provided service to 74 supervised test herds and 190 owner-sampled herds. Optional management data on reproduction, nutrition and somatic cell counts are provided to these herds in addition to production records. The field services of DHAS and Agriculture Canada's Record of Performance (ROP) Plan were amalgamated during the past year resulting in more efficient provision of services and technical time.

4. Swine Unit

The Swine Unit provided a resource of production, management and animal health information for pork producers and maintained liaison with all aspects of the pork industry. The swine specialist staff of Saskatchewan Agriculture was consolidated by the transfer of Dr. Alan Theede from Veterinary Branch to Livestock Branch as Swine Health Specialist and the appointment of Louise Greenberg as Swine Specialist, November 15th. The technician staff duties were re-assigned so that two technicians were providing ultrasonic service and collecting samples as a health monitoring service.

A major initiative to expand pork production in Saskatchewan was announced late in 1985. The Swine Unit became involved in liaison and dialogue with industry groups to explore ways of fostering expansion and developing improved training and support systems for farmers. Interest in expansion increased the number of telephone and office consultations significantly.

As in previous years the Annual Swine Symposium, Swine Design Trade Show, and Artificial Insemination Course were held as major extension and information transfer programs. A "Swine Technology Transfer Program" was developed in co-operation with the Pork Marketing Board and initiated through funding under the Canada-Saskatchewan Economic Regional Development Agreement.

The swine unit specialists changed office location to share space with the Saskatchewan Pork Producers Marketing Board. This move allowed producers easy contact with either marketing information or production/technical information at a single location.

The Record of Performance and Swine Ultrasonics program tested 5,604 pigs in 1985-86. This was a significant decrease from 8,733 the previous year.

5. Livestock Pest Control Unit

In general, the unit was involved in the following program activities:

- biting and nuisance fly control in livestock;

- warble control;

- coyote control; and

- co-ordination of a provincial black fly control program.

The unit responded to producer and regional staff inquiries with information on the biology and control of livestock pests and insecticide use. The unit reported the results of the annual survey of warble infestations in auction market and slaughter cattle indicating an infestation level in the order of one per cent.

In association with the Department of Parks and Renewable Resources and local conservation officers, the unit responded to producer reports of livestock (mainly sheep) losses to predators with information on control methods and pertinent legislation. The unit participated with the Department of Parks and Renewable Resources in a joint review of the province's coyote control policies.

The unit participated with the Black Fly Advisory Committee, consultants and several departments of the provincial government in an evaluation of the 1985 black fly control program. In association with Saskatchewan Environment, a revised and expanded black fly control program was developed. The proposed program, which featured expanded black fly larvae monitoring, the use of the newly registered biological agent BTH-14 as a larvicide and an evaluation of self-treatment insecticide stations for cattle was implemented in April 1986.

II. Operations and Regulatory Services Section

1. Dairy Regulatory Unit

The regulatory unit administers and is responsible for the enforcement of four sets of dairy regulations under the Animal Products Act governing production, hauling, testing and grading of raw milk and cream as well as manufactured dairy and imitation products.

One thousand licences were issued during the year. Twenty-four milk-fat and settlement reports were prepared by the unit from which dairy producers payments and milk processors charges are calculated by the province's Milk Control Board. The Dairy Regulatory Unit is also responsible for determining the quality of the milk purchased by processors in order to ensure consumers receive wholesome dairy products.

2. Provincial Dairy Laboratory

During the year, approximately 750,000 tests were performed on 270,000 samples received by the lab. An additional 28,000 standard or reference samples were tested to insure the accuracy of testing on all samples received.

The results of testing 15,000 samples were used by the Dairy Regulatory and Extension units of Livestock Branch to check the quality of raw milk. An additonal test procedure was adapted to provide extension personnel with a better quality profile on the milk samples. Approximately 45,000 samples were analysed for milk fat content and used to prepare the milk fat settlement reports.

Approximately 180,000 samples were analysed for fat, protein and somatic cells for use by the DHAS and ROP milk recording programs.

Two-thousand quality and composition test results were provided to the industry for the analysis of dairy products and research samples.

3. Livestock Inspection and Data Processing Unit

This unit provides brand inspection service and documentation of livestock movement, recovery of missing livestock and investigation of livestock related infractions of provincial statutes. Brand inspection determines ownership of animals before they are marketed. During 1985 almost 1.0 million animals were inspected and recorded. In 1985 approximately 1,000 computer searches were conducted in an effort

to aid owners, brand inspectors and R.C.M.P. in finding missing animals.

The total number of brands registered under the Animal Identificaton Act as of December 31, 1985 was 28,263. In 1985, 659 brands were issued and 271 were transferred. Of the 5,510 brands that expired 4,787 were renewed.

The number of livestock dealers licensed by the branch was 167.

Soils and Crops Branch

The branch is responsible for programs regarding promotion, development, production and protection of field, forage, horticulture and honey crops; soil conservation; and the use, handling and distribution of pesticides.

Agricultural specialists work with producers, personnel of other branches, Agriculture Canada, universities, industry and other related agencies to provide programs to enhance crop production, crop protection and soil conservation in Saskatchewan. Branch specialists also develop and administer programs to further the safe and effective use of pesticides.

I. Crop Production Services

1. Cereals

The cereals specialist is responsible for interpreting and disseminating research results and providing consultation and advisory services to extension staff and producers. The following programs were carried out by the cereal specialist:

a) Extension

Six barley production short courses were held in cooperation with the Western Barley Growers Association.

A Seed Technology workshop was held in Moose Jaw which was attended by 160 producers.

b) Publications

The annual publication "Varieties of Grain Crops for Saskatchewan" was revised and published. Of the 100,000 copies printed, 30,000 were distributed to the extension staff in early January, and 70,000 were distributed to farmers.

A pedigreed Seed Growers' Directory was prepared in cooperation with the Saskatchewan Seed Growers Association. About 75,000 copies were distributed to farmers and extension staff.

c) Stock Seed Distribution Committee

The cereals specialist participates on the provincial Stock Seed Committee. This Committee approved 50 applications for probation and 25 applications for breeder seed in early 1986.

d) Administrative Assistance

Assistance was provided to the Saskatchewan Seed Growers Association.

2. Oilseed Crops

The oilseed specialist position was created in September of 1985. The specialist is responsible for the crops of canola and flax.

The oilseed specialist provides agricultural extension staff and producers with up-to-date technical information on production of canola and flax. This is accomplished by planning and holding crop update meetings, tours and field days in conjunction with agricultural representatives and regional specialists; participating in agricultural extension meetings for farmers; and preparing news releases and extension material for general distribution.

In 1985-86, the Oilseed Specialist provided specific services to producer organizations involved in the production and promotion of oilseeds in Saskatchewan.

a) Saskatchewan Canola Growers Association

The specialist attended the Association's Board of Directors meetings, and helped to plan and participated in tours, demonstrations and extension meetings.

b) Canola Council of Canada - Crop Production Committee

The specialist, as a member of the Crop Production Committee, helped to manage the Grow With Canola Program and reviewed proposals for agronomic research.

c) Western Flax Growers Association

The oilseed specialist worked with the directors of the Western Flax Growers' Association to plan extension meetings and coordinate the publication of a new flax bulletin for Western Canada.

d) SeCan

The oilseed specialist represented the Department of Agriculture on the Board of Directors of SeCan. This organization obtains and distributes new varieties of cereals, oilseeds and forages.

The oilseed specialist maintained contact with agencies interested in the production and marketing of oilseed crops. Many contacts were also made with the farming public through telephone calls and letters.

3. Forage and Range Management

In January of 1986, the mandate of the forage crops position was broadened to include range management. The forage and range management specialist provides technical consultation in these areas to the Extension Service, other government departments, agribusiness and producer organizations. The following programs were carried out by the forage and range management specialist:

a) co-ordination of the review of forage/range related proposals under the Canada-Saskatchewan Economic Regional Development Agreement (ERDA), and provision of technical input on selected applications to the Agriculture Development Fund.

b) chairing of the Hay and Silage Show committee at Canadian Western Agribition. This second show was successful and is playing a major role in developing an awareness of forage and forage quality in the province.

c) co-ordination of the distribution of foundation seed from the Canadian Forage Seed Project. Seed distributed to Saskatchewan growers for planting in 1986 was as follows:

Alfalfa - Algonquin	940 kg
Angus	370
Beaver	780
Rambler	360
Birdsfoot Trefoil - Leo	350
Sweetclover - Carlton	825
Altai Wildrye - Prairieland	360
Timothy - Climax	700
Champ	230

Overall demand for this seed is increasing, particularly for grass varieties.

c) development of a major producer survey of grassland management attitudes, to be used as a base for range management program planning.

d) completion of the bulletin "Kochia: Problem Weed or Opportunity Feed" (3,000 copies) and revision of the "Forage Crop Recommendations" pamphlet (8,000 copies). Both publications were circulated through the Extension Service and agribusiness.

4. Special Crops

The special crops agronomist provides technical information to enhance production of special crops such as mustard, canaryseed, lentil, pea and sunflower. Much of the extension effort in 1985-86 was directed at new growers of special crops and at research and evaluation of potential new crops for Saskatchewan.

Saskatchewan saw the largest acreage of special crops to date in 1985. This upward trend in special crop acres shows an increasing willingness by producers to diversify crop production and invest the time and effort required in successful special crop production.

The special crops agronomist administered the Special Crop Demonstration Policy, through which special crops or production practices new to Saskatchewan can be evaluated. Safflower was evaluated in a number of demonstrations in 1985. The use of pheromone traps in sunflower crops was also studied. A demonstration of the low tolerance of broadleaf crops to 2,4-D residues in the spray tanks was conducted.

The special crops agronomist participated in Crop Prospects '86 - a market outlook conference beamed by satellite to nine communities in Saskatchewan. Thousands of producers viewed the conference, which was sponsored by Saskatchewan Agriculture and the University of Saskatchewan.

Regular contributions were made to the Saskatchewan Pulse Crop Development Board Newsletter. Seven issues were published during the 1985-86 season.

The special crops agronomist provided assistance to several organizations, including services as advisor-director to the Saskatchewan Pulse Crop Development Board, secretary-treasurer to the Saskatchewan Sunflower Committee, chairman of the Saskatchewan Corn Committee and secretary-treasurer of the Western Canada Pulse Growers' Association.

5. Soils

The provincial soils specialist is responsible for providing technical information about soil conservation, soil fertility, special soils problems and land use to individuals and agencies both inside and outside the Department of Agriculture. The following programs were carried out by the soils specialist in cooperation with other agencies.

a) Publications: The nitrogen fertilization bulletin was revised and a new sulphur bulletin was published. Two new factsheets in a series entitled "Soil Conservation Notes" were published. Over 60,000 soils bulletins on various topics were distributed through government and industry channels.

b) Extension meetings: The soils specialist addressed a number of farm meetings organized by the extension service. Soil conservation, fertilizer application and soil testing were the topics most frequently addressed.

c) National Agricultural Policy: During 1985 the Premier of Saskatchewan initiated discussions towards developing a National Agricultural Policy. One of the six policy areas was "Soils and Water Conservation and Development". The provincial soils specialist represented Saskatchewan on the working group that developed policy recommendations in that area.

d) Special programs: The provincial Agriculture Development Fund was announced in 1984. A number of projects for research development and demonstration projects on soil management were reviewed by the provincial soils specialist.

Numerous inquires from farmers, extension persons and public and private agencies were also answered.

II. Crop Protection Services

1. Weed Control

The weed control specialist is responsible for providing technical information regarding weed control in Saskatchewan to Extension Service, farmers, agribusiness and other related industries.

a) The Weed Control Policy, which provides one-third cost sharing of approved persistant perennial weed control projects, was continued. Grants were provided to 125 Saskatchewan Rural Municipalities under this program.

b) The weed control specialist coordinated revision of the "Chemical Weed Control in Cereal, Oilseed, Pulse and Forage Crops" publication. Thirty-five thousand copies of this publication were distributed through Extension Services and agribusiness.

c) More than 250 weed samples were received by the Crop Protection Laboratory for identification purposes.

2. Pest Control

a) Insect Control

Surveys to monitor the abundance of grasshoppers, wheat midge, cutworms, Bertha armyworm and diamondback moth were carried out during the period from May until early September. The data from these surveys allowed for the timely and orderly use of pesticides to control these insects.

Analysis of the survey data indicated that: (1) grasshopper populations would decline slightly in 1986, (2) wheat midge populations were building in the area from Kelvington to Kamsack and in the Prince Albert district, and might be a major problem in these areas in 1986, (3) the pale western cutworm population was declining, although some crop damage in the Davidson, Regina and Swift Current districts was expected in 1986, (4) Bertha armyworm populations would decline slightly in 1986 and would not be expected to be a major problem in 1987.

b) Vertebrate Control

A new extension publication on Rat Control was released in early 1986. This publication deals with all aspects of rat control including biology and behaviour, recognition of infestations, preventative control measures, the use of rodenticides, safety precautions and community rat control programs.

The rat control publication was prepared in cooperation with Alberta Agriculture. Over 30,000 copies of this publication have been distributed to date.

c) Pesticide Safety

The department encourages the safe use of pesticides through the Pest Control Products (Saskatchewan) Act and Regulations, and by distributing information about pesticide use and handling to the public, extension and resource personnel.

A new publication entitled "Pesticide Safety Handbook" was prepared in cooperation with the Occupational Health and Safety Branch of Saskatchewan Labour, and distributed throughout the province prior to the 1986 pesticide use season. This publication deals with: (1) toxicity of pesticides, (2) protection of the operator and non-target areas, (3) container disposal, storage of pesticides, and (4) symptoms and notes on treatment for physicians.

The department continued to work with the Canadian Association of Pesticide Control Officials (CAPCO) by contributing information about disposal procedures and participating in education, training and licencing sub-committees.

3. Plant Disease

The plant disease specialist is responsible for providing a consultative and advisory service regarding plant diseases and their control.

Five hundred sixty-six samples were received in the crop protection laboratory for disease diagnosis. The points of origin provided information about disease development throughout the province.

Specialized technical support was provided through the crop protection laboratory to the Dutch Elm Disease survey carried out by the Prairie Farm Rehabilitation Administration. No new case of the disease was detected in 1985.

The annual publication on Chemical Seed Treatments was revised.

III. Horticultural Services

The horticulture specialists are responsible for interpreting research results, disseminating extension information, generating extension programs and providing a consulting service to commercial producers of fruit, vegetables, ornamentals, nursery stock, turf, mushrooms and greenhouse crops, as well as home gardeners and landscape contractors.

A horticulture telephone service was again installed during the summer months, and 2,324 inquiries were received. There has been an increase in requests for information concerning the development of commercial horticulture enterprises involving fruit production (i.e. strawberries, raspberries, Saskatoons, blueberries, vegetable production, potatoes, seed potatoes, onions, carrots, garlic, etc.) greenouse production (bedding plants, vegetable pot plants, etc.), nursery crops (perennials) and mushrooms.

The farmstead landscaping planning service was continued and numerous requests received.

The horticulture specialists continued supervision of the ornamental and fruit demonstration project at Indian Head, including evaluation of recent ornamental test plants from Ottawa and a number of orchard variety demonstration projects. Other demonstration projects included several plastic mulch trials with vine crops and the Potato Lake fruit and vegetable project.

Several information leaflets including a series on Rural Landscaping, Miniature Roses for Saskatchewan, Irises for Saskatchewan, Growing Tulips and Mail Order Sources for Perennials were published. The Manitoba Vegetable Production Guide, the Manitoba Strawberry Guide and a Pictorial Atlas of Foliage Plant Disorders were purchased for distribution in Saskatchewan.

Many extension meetings were attended in cooperation with the horticulture societies, PFRA and the extension service.

A federal-provincial Horticulture Development Program through ERDA was established which included the hiring of two professional horticulture staff members. The regional potato trials and elite potato seed program through the Elite Seed Potato Farm were funded in 1985-86.

Meetings of note that were attended include the Horticulture Research review at Morden, the Second Annual SaskHort Convention and Trade Show, the Canadian Greenhouse Conference at Guelph and the North Central Region Meeting of the American Society for Horticulture Science.

IV. Apiary Section

In 1985, approximately 17 million pounds of honey was produced from the 105,000 colonies which were operated in Saskatchewan.

During the 1985 production season, beekeepers became eligible to insure their honey crop through the Saskatchewan Crop Insurance Corporation.

In the spring of 1986 beekeepers were eligible for a production loan advance from Saskatchewan Agriculture. The program offered an advance of $25 per colony (with a 100 colony deductible) at 6 per cent interest which is to be repaid in three equal instalments over the next three years. The program was well received by the beekeeping industry in Saskatchewan. Commercial beekeepers responsible for operating over 100,000 colonies participated in the program. A total of approximately $2.2 million was advanced to Saskatchewan beekeepers under the program.

Import permits were issued by Agriculture Canada to establish mite-infested colonies at La Ronge to determine the effect of the pest on wintered colonies under Saskatchewan conditions. The project is being managed by the Saskatchewan Beekeepers Association with funding from the Canada-Saskatchewan Economic Regional Development Agreement.

The beekeeping industry initiated an inspection program to sample package bees imported from the United States as they arrived in Saskatchewan. A total of 285 samples were taken during the late winter and early spring of the crop year.

The leafcutter bee increase averaged only 1.2 times in 1985 due to the lack of good flight weather during the pollination season. Alfalfa seed crops were also poor. The leafcutter population was estimated to be about 600 million, pollinating about 15,000 certified acres and an estimated 15,000 common acres. A shipment of 20 million cocoons was certified for export to the USSR in 1985.

V. Wild Rice

Wild rice production in 1985 totalled only 293,000 pounds from a record high of 1,074,000 in 1984.

The major factors that contributed to the reduction in production were essentially weather-related problems.

As a result of the poor crop, a seeding program was initiated in the spring of 1986 and coordinated by the provincial wild rice specialist. The federal Department of Regional Industrial Expansion provided funding for seed purchase through its Northern Economic Development Subsidiary Agreement (NEDSA) program. Approximately 47,000 pounds of seed was purchased and distributed to permit holders in quantities from 20 to 200 pounds based on grower needs. In the spring of 1986 over 1800 acres were seeded under this program.

Wild rice research was continued in 1985 and was coordinated by the provincial wild rice specialist. Among the projects undertaken were:

a. The effect of straw removal on germination, growth and production.

b. Study on the "Morphological Variations in Wild Rice in Northern Saskatchewan" - Year 2.

c. Reel harvester prototype evaluation.

d. Plant nutrient availability in freshwater sediments.

The number of permits issued to grow wild rice increased to 1,649 in 1985 from 1,534 in 1984.

A wild rice processing plant recently established in La Ronge processed approximately 170,000 pounds at a recovery rate of 43 per cent in 1985. This was down from the previous year when almost 680,000 pounds were processed with a recovery rate of 54 per cent. The low recovery rate in 1985 was attributed to poor quality of harvested rice.

A new Provincial Wild Rice Policy was approved in 1985. The new policy named wild rice as an agriculture crop and assigned the lead role for development of the industry to Saskatchewan Agriculture.

The Saskatchewan Wild Rice Council became operative in early 1986. DRIE-NEDSA provided funding for one year for the operation of the council.

The council organized the first Annual Wild Rice Conference, held in Prince Albert, March 10-12, 1986. Over 400 gowers attended.

A comprehensive 3-year wild rice research program was successfully developed with the involvement of the Department of Crop Science and Plant Ecology, University of Saskatchewan. The $948,000 program was funded jointly by the federal Department of Regional Industrial Expansion (DRIE) under the Canada-Saskatchewan Northern Economic Development Sub-Agreement (NEDSA) and the Saskatchewan Agriculture Development Fund (ADF).

DRIE committed $300,000 while $648,000 came from ADF. The Crop Development Centre subsequently hired a Research Coordinator in the person of Dr. O. W. Archibold who will be primarily responsible for the implementation of the three-year research program.

The provincial wild rice specialist updated wild rice extension brochures and pamphlets and reprinted sufficient copies for the growers. The results of studies done during the year were summarized and sufficient copies were also printed and made available to growers. Available wild rice extension materials include the following:

a. Wild Rice Production in Saskatchewan
b. The Economics of Wild Rice Farming in Northern Saskatchewan
c. Tips in Identifying Ideal Wild Rice Habitat
d. Harvesting Wild Rice in Northern Saskatchewan
e. Saskatchewan Wild Rice Research (1983, 1984, 1985)

Veterinary Branch

The Veterinary Branch administers and develops programs to control and eradicate animal diseases and to ensure a wholesome supply to meat and meat products.

Laboratory Services

The branch operates a veterinary diagnostic laboratory in Regina. A complete diagnostic and clinical pathology service is provided for food-producing and companion animals. Diagnostic pathology and clinical pathology technical services are provided by three veterinary pathologists and seven laboratory technologists. The gross diagnostic examination is supplemented by histology, bacteriology, clinical chemistry, parasitology and toxicology. Revenues are from user fee charges to companion animal owners. The 1985-86 revenue was $40,758. The oeprating costs are $398,704.

A service similar to the Regina Diagnostic Laboratory is provided by the pathology department of the Western College of Veterinary Medicine for livestock producers and pet owners inthe northern half of Saskatchewan. The grant of $450,000 is allocated to the Western College of Veterinary Medicine.

Field Services

There were 54 veterinary service districts operating in the province in 1985-86. The province has 300 R.M.s and 222 of these are participating in veterinary service districts (VSDs). Animal owners in Saskatchewan are served by approximately 160 veterinary practitioners, plus about 20 clinicians at the Western College of Veterinary Medicine. There are 100 veterinary clinics in Saskatchewan. The grants to veterinary service district boards to support veterinary travel costs and veterinary hospital operating costs totalled $440,000 in 1985-86. Grants to subsidize veterinary mileage to producers' farms must be matched by the R.M.s participating in the VSD. Veterinary hospital grants do not have to be matched and were paid to all clinics which have passed a practise standard examination by the Saskatchewan Veterinary Medical Association. These clinics must be designed to treat and hospitalize food producing animals.

Swine Herd Health Program

The swine herd health program had 240 swine producers enrolled in 1985-86. These producers received regular visits from their practicing veterinarians. Producers are encouraged to keep good records and attending veterinarians provide written reports with comments and recommendations after each visit. This program is assisted by the services of livestock branch specialists who provide back-up expertise to swine producers and veterinarians.

Sakatchewan's hog producers are being helped with part of their veterinary herd health fee. The percentage of assistance decreases over four years from 75 per cent for the first two years to 50 per cent for the third year to 25 per cent for the fourth year. The program is very successful and deserves a high profile. As Saskatchewan hog production increases, this program is desireable for leadership and direction in the industry. In 1985-86 $50,344 was spent to allow producers to hire local veterinarians to help manage their operations.

Poultry Health Protection

The University of Saskatchewan-based Poultry Extension Service has been in existence for eight years. This group, funded by Saskatchewan Agriculture ($82,000) and the Chicken, Egg and Turkey Producers Marketing Boards, provides a poultry scientist and a veterinarian to the Departments of Animal and Poultry Science and Veterinary Pathology respectively.

The Poultry Extension Service has the following program objectives.

1. To monitor industry performance and use this information to identify and solve problems causing reduced production efficiency.

2. To investigate individual flock production problems.

3. To monitor flock health.

4. To communicate advances in poultry production technology to producers via extension meetings, written notes and individual contact.

Saskatchewan Society for the Prevention of Cruelty to Animals

The two inspectors working for the Saskatchewan Society for the Prevention of Cruelty to Animals processed and resolved approximately 300 cases concerning inhumane treatment of animals. Peace officers investigate reports with the purpose of improving conditions of the animals involved. If this is not possible an R.C.M.P. officer and a veterinarian are requested to assist in laying charges under The Animal Protection Act. The provincial grant to provide this service in 1985-86 was $50,190.

Meat Inspection Program

The meat inspection service provided by the Federal Food Production and Inspection Branch staff is in effect in 13 abattoirs. In addition, three abattoir processors have extra inspection to verify the labels they are presently using for processed meat. The processed meat inspection was instituted this year. The total cost of the program was $251,051, of which $41,464.38 was paid by the abattoirs and/or processors for the service.

Veterinary Fellowships

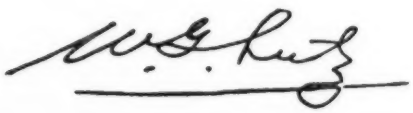
The branch also administered a $34,000 veterinary fellowship fund which provided a stipend for post graduate training to two full time veterinary graduate students and two part-time graduate students. The funds for this program were provided by the Department of Advanced Education and Manpower.

Cattle Marketing Deductions Fund

To the Members of the Legislative Assembly of Saskatchewan.

I have examined the statement of receipts and payments of the Cattle Marketing Deductions Fund for the year ended March 31, 1986. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the statement of receipts and payments presents fairly the cash position of the trust fund at March 31, 1986 and its receipts and payments for the year then ended in accordance with the disclosed basis of accounting applied on a basis consistent with that of the preceding year.



Regina, Saskatchewan
June 5, 1986

W.G. Lutz, F.C.A.,
Provincial Auditor

Cattle Marketing Deductions Fund

Statement of Receipts and Payments

Year Ended March 31, 1986
(with comparitive figures at March 31, 1985)

	1986	1985
Receipts		
Collections under sections 3 and 4 of The Cattle Marketing Deductions Act and regulations	$500,940	$543,748
Less: Commissions on collections	19,678	21,224
	481,262	522,524
Bank and investment interest	36,337	12,848
Total receipts	517,599	535,372
Payments		
Grants (Schedule 1)	377,057	$288,595
Advisory Committee expenses	1,999	2,767
Refund of deductions	12,418	11,471
Total Payments	391,474	302,833
Excess of receipts over payments	126,125	232,539
Total cash and investments, beginning of year	334,232	101,693
Total cash and investments, end of year	$460,357	$334,232

*(See accompanying notes to the financial statements)

Notes to Financial Statements

March 31, 1986

1. Accounting Policy

(a) These financial statements are prepared on a cash basis, whereby revenues are recorded as collected and expenditures are charged to the accounts as payments are made. Accordingly, the financial position of the fund at March 31, 1986, does not include accounts receivable of $89,768 (1985 - $93,357), accrued interest receivable of $1,252 (1985 - $4,821), commissions payable of $3,591 (1985 - $3,734), and accounts payable of $89 (1985 - $1,103).

(b) The fund has not been charged with occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture.

2. Legislative Authority

(a) Pursuant to the provisions of The Cattle Marketing Voluntary Deductions Amendment Act, 1983 proclaimed into force August 29, 1983, the Cattle Marketing Voluntary Deductions Act Trust Fund was continued as the Cattle Marketing Deductions Fund and the assets and liabilities of the Cattle Marketing Voluntary Deductions Act Trust Fund were deemed to be the assets and liabilities of the fund.

(b) The fund is administered by an Advisory Committee established under the Act who authorize all expenditures from the fund subject to the approval of the Minister of Agriculture.

Cattle Marketing Deductions Fund

Schedule 1

Schedule of Grants

Year Ended March 31, 1986

	1986	1985
Saskatchewan Stock Grower's Association in respect of the Saskatchewan Beef Information Centre	$3,500	$ --
Canadian Cattlemen's Association in support of National Beef Information Centre	95,250	125,794
Canadian Cattlemen's Association in support of the National Advertising Campaign	117,500	90,000
Veterinary Infectious Disease Organization	50,000	50,000
Saskatchewan Artificial Breeders Association	56,207	21,901
Saskatchewan Cattle Feeders' Association	--	900
University of Saskatchewan — Animal & Poultry Science	54,250	--
Saskatchewan Agriculture Hall of Fame	350	--
	$377,057	$288,595

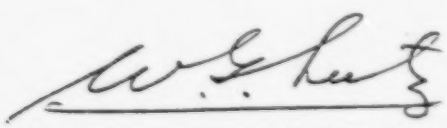
Farm Purchase Program Fund

Auditor's Report

To the Members of the Legislative Assembly of Saskatchewan

I have examined the statement of receipts and payments of the Farm Purchase Program Fund for the year ended March 31, 1986. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, the statement of receipts and payments presents fairly the cash position of the fund as at March 31, 1986 and its receipts and payments for the year then ended in accordance with the disclosed basis of accounting applied, after giving retroactive effect to the change in accounting principles described in note 4 to the financial statement, on a basis consistent with that of the preceding year.



Regina, Saskatchewan
July 17, 1986

W.G. Lutz, F.C.A.,
Provincial Auditor

Farm Purchase Program Fund

Statement of Receipts and Payments

For the Year Ended March 31, 1986

	1986	1985
Receipts		
Appropriation — Heritage Fund — Agricultural Division (Note 1)	$8,270,999	$8,183,000
Lease payments	10,385,030	11,051,881
Penalties	888,980	702,970
Interest on loans	631,878	673,141
Interest on investments	74,221	140,626
Total receipts	20,251,108	20,751,618
Payments		
Interest (Note 1)	20,181,331	20,116,560
Advertising	38,896	60,356
Repayment of Advances to Consolidated Fund (Note 3)	—	820,000
Total payments	20,220,227	20,996,916
Excess of receipts over payments (payments over receipts)	30,881	(245,298)
Cash, beginning of year	60,284	305,582
Cash, end of year	$91,165	$60,284

(See accompanying notes to the financial statement)

Farm Purchase Program Fund

Notes to Financial Statement

March 31, 1986

1. Legislative Authority

The Farm Purchase Program Fund was established April 1, 1983, pursuant to The Farm Purchase Program Act, which was assented to December 17, 1982.

(a) Receipts

Pursuant to Section 8(2) of this Act, the following receipts were placed to the credit of the fund:

(i) lease payments on land formerly held by the Saskatchewan Land Bank Commission;

(ii) penalties on arrears of lease payments;

(iii) interest payments on loans for improvements made pursuant to section 22 of The Land Bank Act;

(iv) penalties on arrears of interest payments;

(v) interest earned on deposits or investments;

(vi) sums appropriated by the Legislature for the purposes of the fund;

(vii) advances from the Consolidated Fund.

(b) Payments

Pursuant to Section 8(3) of this Act, payments were made out of the fund for interest costs on debt incurred by the former Saskatchewan Land Bank Commission. These payments were made to the Consolidated Fund.

2. Accounting Policies

(a) These financial statements are prepared using a modified cash basis for a fiscal year commencing on April 1, and ending March 31. Receipts are recorded as received and payments are charged to the accounts when payments are made. In addition, receipts received in the 30 days of April, in respect of revenues raised up to March 31 of the preceding fiscal year, and payments made during the 30 days of April which are for goods and services received in the preceding fiscal year are reported as receipts and payments of the preceding fiscal year. Accordingly, the financial position of the fund at March 31, 1986 does not include the following items:

(i) amount due from Department of Agriculture — Lands Branch — $162,625 (1985 - $Nil);

(ii) accrued interest costs — $6,834,817 (1985 - $6,834,817);

(b) The fund has not been charged with occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture.

3. Advances

Pursuant to Section 8(4) of The Farm Purchase Program Act the fund receives advances from the Consolidated Fund as required for the purposes of the fund, subject to prescribed terms and conditions. Following is a summary of advances received and repayments:

	1986	1985	1984
Advances	$18,985,000	$14,985,000	$59,390,000
Repayments	18,985,000	15,805,000	58,570,000
	$ —	$(820,000)	$ 820,000

4. Change in Accounting Policy

During the year the fund amended the basis of accounting used for financial statement preparation from the cash basis to a modified cash basis whereby receipts received in the 30 days of April, in respect of revenues raised up to March 31 of the preceding fiscal year, and payments made during the 30 days of April which are for goods and services received in the preceding fiscal year are reported as receipts and payments of the preceding fiscal year.

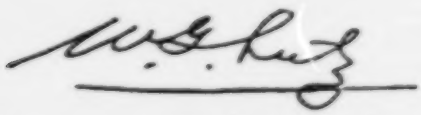
This change has been applied retroactively in these financial statements. The effect is to increase 1986 receipts by $32,294, to decrease 1985 receipts by $279,738 and to decrease 1985 payments by $10,272. As a result of these changes, excess of receipts over payments at March 31, 1985 has decreased by $269,466 and similarly cash, beginning of year 1985 has increased by $304,027 and cash, end of year 1985 has increased by $34,561.

Horned Cattle Fund

To the Members of the Legislative Assembly of Saskatchewan

I have examined the balance sheet of the Horned Cattle Fund as at March 31, 1986 and the statements of revenue, expenditure and operating surplus and changes in financial position for the year then ended. My examination was made in accordance with generally accepted auditing standards, and accordingly included such tests and other procedures as I considered necessary in the circumstances.

In my opinion, these financial statements present fairly the financial position of the Fund as at March 31, 1986 and the results of its operations and the changes in its financial position for the year then ended in accordance with the disclosed basis of accounting applied on a basis consistent with that of the preceding year.



Regina, Saskatchewan
June 12, 1986.

W.G. Lutz, F.C.A.,
Provincial Auditor.

Statement 1

Horned Cattle Fund
Balance Sheet
March 31, 1986
(with comparative figures at March 31, 1985)

	1986	1985
Assets		
Current:		
Cash	$37,447	$61,589
Marketable securities, at cost which approximates market	138,558	108,914
Accrued interest receivable	1,392	1,086
Inventory of cattle (Note 3)	397,068	399,060
	$574,465	$570,649
Liabilities and Operating Surplus		
Current Liabilities:		
Accounts payable	$755	$4,035
Operating surplus — Statement 2	573,710	566,614
	$574,465	$570,649

(See accompanying notes to the financial statements)

Statement 2

Horned Cattle Fund
Statement of Revenue, Expenditure and Operating Surplus

Year Ended March 31, 1986
(with comparitive figures for the previous year)

	1986	1985
Revenue		
Collections under Section 3 and 4 of The Horned Cattle Purchases Act	$196,965	$216,216
Less: Commission on collections	19,624	21,472
	177,341	194,744
Revenue from Pathlow Beef Project (Note 3)	190,816	261,923
Miscellaneous revenue	3,918	–
Bank and investment interest	11,972	5,523
Total revenue	384,047	462,190
Expenditure		
Grants (Schedule 1)	174,482	161,324
Pathlow Beef Research Project — operating costs	199,264	188,842
Department of Agriculture — The Horned Cattle Purchases Act Advisory Committee — meeting expenses	3,205	3,743
Total expenditure	376,951	353,909
Excess of revenue over expenditure (expenditure over revenue)	7,096	108,281
Operating surplus, beginning of year	566,614	458,333
Operating surplus, end of year	$573,710	$566,614

(See accompanying notes to the financial statements)

Statement 3

Horned Cattle Fund
Statement of Changes in Financial Position
Year Ended March 31, 1986
(with comparative figures for the previous year)

	1986	1985
Cash provided by operating activities:		
Excess revenue over expenditure	$7,096	$108,281
Net change in non-cash working capital balances related to operations*	(1,594)	(37,703)
Total cash provided by operating activities	5,502	70,578
Cash position at beginning of year	170,503	99,925
Cash position at end of year	$176,005	$170,503
Cash position comprises cash and marketable securities		
* Accrued interest receivable	$(306)	$(1,047)
Inventory	1,992	(37,381)
Accounts payable	(3,280)	725
	$(1,594)	$(37,703)

(See accompanying notes to the financial statements)

Horned Cattle Fund

Notes to Financial Statements

March 31, 1986

1. Accounting Policy

(a) The financial statements of the Horned Cattle Fund are prepared on a modified accrual basis of accounting where revenue and expenditures are accounted for on an accrual basis, except as follows:

Collections and grant payments under The Horned Cattle Purchases Act are recognized in the accounts on a cash basis. Accordingly, accounts receivable of $32,595 (1985 - $36,858) and commissions payable of $3,260 (1985 - $3,686) are not included in this statement.

(b) The Fund has not been charged with any occupancy costs or administrative salaries and no provision for such costs is reflected in these statements. These costs are borne by the Department of Agriculture.

(c) Cattle inventory is valued at approximate realizable value at the fiscal year end (Note 3).

2. Legislative Authority

Pursuant to the provisions of The Horned Cattle Purchases Amendment Act, 1983 proclaimed into force October 1, 1983, the Horned Cattle Trust Fund was continued as the Horned Cattle Fund and the assets and liabilities of the Horned Cattle Trust Fund are deemed to be the assets and liabilities of the Fund.

The purpose of this Fund is to promote research and development in the livestock industry.

3. Inventory of Cattle

In view of the difficulty which exists in assigning on a rational basis the costs of production to animals at various stages of maturity and since the correlation between costs and revenue is not nearly as close as in most businesses, the inventory of cattle held in connection with the Pathlow Beef Research Project has been valued at approximate realizable value at the fiscal year end. The corresponding changes in inventory from one year to the next have been described as Appreciation (decline) in value of opening herd.

Revenue from Pathlow Beef Project

	1986	1985
Cattle sales and natural increase in herd	$210,775	$218,321
Appreciation (decline) in value of opening herd	(19,959)	43,602
Total revenue	$190,816	$261,923

Schedule 1

Horned Cattle Fund
Schedule of Grants

Year Ended March 31, 1986
(with comparative figures for the previous year)

	1986	1985
Western College of Veterinary Medicine	$ 45,250	$ 81,500
Canadian Western Agribition Association	35,000	35,000
Biosystems Consulting Ltd. (Black Fly Project)	24,000	14,000
Saskatchewan Holstein-Freisen Association	12,000	12,000
University of Saskatchewan (Department of Animal and Poultry Science)	15,370	--
Saskatchewan Association of Rural Municipalities	--	7,000
Rosthern Agricultural Society	--	5,000
Twin H Cattle Co. Ltd.	--	5,000
Saskatchwan Angus Association	--	1,000
Ivan Grant	--	824
Ag. Canada Melfort Research Station	552	--
Melfort Agricultural Society	17,560	--
Perdue Agricultural Society	2,750	--
Saskatchewan Hereford Association	2,000	--
Saskatchewan Artificial Breeders Co-operative	20,000	--
	$174,482	$161,324

(See accompanying notes to the financial statements)